

LAW OFFICES
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RECORDATION NO. 24064-N FILED

MAY 29 '03 12-11 PM

~~SURFACE~~ TRANSPORTATION BOARD

May 29, 2003

Recordation No. 24064-N

Dear Mr. Williams:

On behalf of Royal Bank of Canada I submit for filing and recording under 49 U.S.C. § 11301 (a) and the regulations applicable thereunder, executed counterparts of a secondary document, not previously recorded, in the nature of a letter of partial release ("Partial Release") dated as of APRIL 29, 2003.

The parties to the enclosed Partial Release are:

Royal Bank of Canada - **RELEASOR/SECURED PARTY**
9th Floor
20 King Street West
Toronto, Ontario, M5H 1C4
CANADA

National Steel Car Limited - **RELEASEE/DEBTOR**
602 Kenilworth Avenue North
Hamilton, Ontario L8N 3J4
CANADA

The said Partial Release, among other things, acts to release ONLY those units in Appendix 2 thereto (copy attached) from that certain Security Agreement between National Steel Car Limited, as Debtor, and Royal Bank of Canada, as Secured Party, recorded under Recordation No. 24064. The Partial Release should be recorded under the next available letter under Recordation No. 24064, which letter we believe to be "-N."

The equipment covered by the instant Partial Release is as identified in Appendix 2 thereto, namely 36 coil steel railcars, CN numbers .

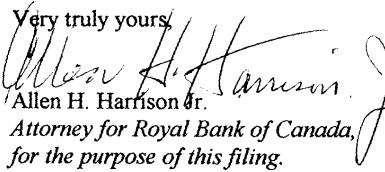
A short summary of the Partial Release to appear in the Surface Transportation Board Index is as follows:

"Released from Security Agreement 36 coil steel railcars, CN numbers, as covered in Appendix 2 to Partial Release."

-2-

Enclosed is a check in the amount of thirty dollars (\$30.00) in payment of the filing fee.

Once the filing has been made, please return to bearer the stamped counterpart(s) of the document not required for filing purposes, together with the letter from the Surface Transportation Board acknowledging the filing, and the two extra copies of this letter of transmittal.

Very truly yours,

Allen H. Harrison Jr.
*Attorney for Royal Bank of Canada,
for the purpose of this filing.*

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

Enclosures

BY HAND

8212-020

APPENDIX 2

Cars

Thirty-Six (36) coil steel railcars, numbered:

CN 187216
CN 187221 through CN 187223 inclusive
CN 187237
CN 187239 through CN 187240 inclusive
CN 187243
CN 187246
CN 187253 through CN 187254 inclusive
CN 187261
CN 187270
CN 187272
CN 187278
CN 187285
CN 187289
CN 187292
CN 187306 through CN 187307 inclusive
CN 187314 through CN 187315 inclusive
CN 187318
CN 187326
CN 187329
CN 187332 through CN 187333 inclusive
CN 187336
CN 187338
CN 187346
CN 187352 through CN 187353 inclusive
CN 187355
CN 187357
CN 187360
CN 187364

ROYAL BANK OF CANADA
20 King St. West, 9th Floor
Toronto, Ontario
M5H 1C4

24064-N
RECORDED

MAY 29 '03 12-11 PM

SURFACE TRANSPORTATION BOARD

April 29, 2003

National Steel Car Limited
P.O. Box 2450 LCD 1
600 Kenilworth Avenue North
Hamilton, Ontario L8N 3J4
Canada
Attention: Cecil Mosselman

CSX Transportation, Inc.
500 Water Street
Jacksonville, Florida 32202
Attention: Mr. Evan Bell, Director Lease Finance

Re: Release of interest in coil steel railcars in favour of CSX Transportation, Inc. ("CSX")

Dear Sirs:

We refer to our letter dated April 29, 2003 concerning the above-referenced matter, a copy of which is attached hereto as Appendix 1, and we now confirm that we irrevocably release the coil steel railcars manufactured or to be manufactured by National Steel Car Limited ("NSC") and to be sold by NSC to CSX (the "Cars") described in the list of Cars attached to this letter as Appendix 2, from any security interest or claim under the Security Agreement described in Appendix 1.

Sincerely,

ROYAL BANK OF CANADA

By: 

Name: Naznine Virjee

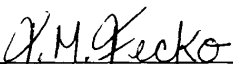
Title: Senior Manager

PROVINCE OF ONTARIO)

CITY OF TORONTO)

) In the matter of a letter from Royal Bank of Canada
) to National Steel Car Limited and CSX
) Transportation, Inc., dated April 29, 2003
)
)

On this 29th day of April, 2003, before me personally appeared Naznine Virjee to me personally known, who, being by me duly sworn, says that she is a Senior Manager of Royal Bank of Canada, that she signed the said instrument on April 29, 2003 on behalf of said Bank, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said Bank.



Notary Public in and for the
Province of Ontario

APPENDIX 1

See Attached

ROYAL BANK OF CANADA

20 King St. West, 9th Floor
Toronto, Ontario
M5H 1C4

April 29, 2003

National Steel Car Limited
P.O. Box 2450 LCD 1
600 Kenilworth Avenue North
Hamilton, Ontario L8N 3J4
Canada
Attention: Cecil Mosselman

CSX Transportation, Inc.
500 Water Street
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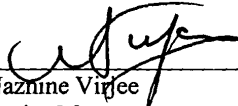
Dear Sirs:

Reference is hereby made to that certain General Security Agreement made and entered into as of July 19, 2002, by National Steel Car Limited ("NSC") in favor of Royal Bank of Canada ("RBC") (the "Security Agreement"), a memorandum of which has been filed with the United States Surface Transportation Board under Recordation No. 24064. RBC understands that pursuant to a Purchase Agreement, dated April 4, 2003, NSC intends to sell to CSX Transportation, Inc. ("CSX") and CSX intends to purchase from NSC, two hundred twelve (212) coil steel railcars, manufactured or to be manufactured by NSC (the "Cars").

RBC hereby agrees that, it shall, contemporaneously with any release issued by Trilon Bancorp Inc. of any security interest or claim with respect to the Cars, release such Cars from any security interest or claim under the Security Agreement. RBC further agrees that it shall, from time to time, on request by NSC, and at NSC's expense, provide confirmation of the releases (in the form set forth in Annex 1 to this letter) and/or partial discharges with respect to the Cars released from any security interest or claim under the Security Agreement.

Sincerely,

ROYAL BANK OF CANADA

By: 
Name: Nazhine Virjee
Title: Senior Manager

ANNEX 1

ROYAL BANK OF CANADA
20 King St. West, 9th Floor
Toronto, Ontario
M5H 1C4

_____, 2003

National Steel Car Limited
P.O. Box 2450 LCD 1
600 Kenilworth Avenue North
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500 Water Street
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Sincerely,

ROYAL BANK OF CANADA

By: _____
Name: Naznine Virjee
Title: Senior Manager

APPENDIX 2

Cars

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